



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**Larry B. Martin
COMMISSIONER**

FOR IMMEDIATE RELEASE
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JULY REVENUES

NASHVILLE – Tennessee revenue collections continued an upward trend in July, ending the state’s fiscal year positively, but in the midst of a still-uncertain economy. Finance and Administration Commissioner Larry Martin today announced a net positive growth of 4.42% over July collections of one year ago. Overall July revenues were \$919.8 million, which is \$19.0 million more than the state budgeted.

“We continue to see positive growth in sales and corporate tax collections, and we’re certainly pleased with that, but overall growth is fairly slow,” Martin said. “While we’ve had positive growth every month for the fiscal year, we must continue to monitor results nationally and be alert to the impact national conditions may have on Tennessee’s economy.”

July sales tax collections represent consumer spending that took place in the month of June.

On an accrual basis, July is the 12th month in the 2012-2013 fiscal year.

The general fund was over collected by \$19.3 million, and the four other funds were under collected by \$0.3 million.

Sales tax collections were \$4.6 million more than the estimate for July. The July growth rate was 3.42%. For 12 months, revenues are under collected by \$23.2 million. The year-to-date growth rate for 12 months was positive 1.83%.

Franchise and excise taxes combined were \$13.8 million over the budgeted estimate of \$52.7 million. The growth rate for July was positive 21.54%. For 12 months revenues are over collected by \$292.7 million and the year-to-date growth rate was positive 9.13%.

Inheritance and estate tax collections were \$0.9 million below the July estimate. For 12 months, collections are \$34.5 million above the budgeted estimate.

Privilege tax collections were \$0.9 million below the July budgeted estimate. For 12 months, collections are \$29.2 million more than the budgeted estimate, and the year-to-date growth rate was positive 8.34%.

Business tax collections were \$20,000 less than the July estimate. Year-to-date collections for 12 months are \$1.4 million above the budgeted estimate.

Tobacco tax collections were \$1.3 million above the budgeted estimate of \$24.7 million. For 12 months, revenues are under collected by \$9.7 million.

Gasoline and motor fuel tax collections for July were over collected by \$2.5 million. For 12 months, revenues are under collected by \$20.0 million, and the growth rate is negative 0.68%.

All other taxes for July were under collected by a net of \$1.4 million.

Year-to-date collections for twelve months were \$341.8 million more than the budgeted estimate. The general fund was over collected by \$347.9 million and the four other funds were under collected by \$6.1 million. The FY 2013 revised budget assumed an over collection of \$305.9 million in General Fund Taxes. Therefore, the amount of over collection, August through July, compared to what's in the revised FY 2013 budget is \$42.0 million (\$347.9 million minus \$305.9 million).

The budgeted revenue estimates for 2012-2013 are based on the State Funding Board's consensus recommendation of December 19th, 2011 and adopted by the second session of the 107th General Assembly in April 2012. They are available on the state's website at <http://www.tn.gov/finance/bud/budget.html>.

The State Funding Board met on December 14, 2012, to hear updated revenue projections from the state's various economists. The board met again on December 19th and adopted revised revenue ranges for 2012-2013. The revised ranges assume an over collection from the July 2012 budgeted estimate in the amount of \$203.0 million to \$287.3 million in total taxes and in the amount of \$224.2 million to \$305.9 million in general fund taxes for the current fiscal year.

Year-to-date collections for 2012-2013 are subject to final accrual adjustments.

Table 1
Revenue Collections by Fund
July
2012-2013

Fund	2013				2012	2013	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$751,170,000	\$731,840,000	\$19,330,000	2.64%	\$711,117,000	\$40,053,000	5.63%
Highway Fund	59,718,000	61,388,000	(1,670,000)	-2.72%	63,431,000	(3,713,000)	-5.85%
Sinking Fund	33,952,000	33,831,000	121,000	0.36%	32,977,000	975,000	2.96%
City & County Fund	72,087,000	70,837,000	1,250,000	1.76%	71,217,000	870,000	1.22%
Earmarked Fund	2,900,000	2,900,000	0	0.00%	2,175,000	725,000	33.33%
Total	\$919,827,000	\$900,796,000	\$19,031,000	2.11%	\$880,917,000	\$38,910,000	4.42%

Revenue Collections by Tax
July
2012-2013

Tax Source	2013				2012	2013	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$66,530,000	\$52,700,000	\$13,830,000	26.24%	\$54,737,000	\$11,793,000	21.54%
Income	1,396,000	1,074,000	322,000	29.98%	1,001,000	395,000	39.46%
Inheritance & Estate	10,017,000	10,925,000	(908,000)	-8.31%	6,654,000	3,363,000	50.54%
Gasoline	57,417,000	52,817,000	4,600,000	8.71%	55,036,000	2,381,000	4.33%
Petroleum Special	5,693,000	5,592,000	101,000	1.81%	5,543,000	150,000	2.71%
Tobacco	25,985,000	24,697,000	1,288,000	5.22%	23,351,000	2,634,000	11.28%
Beer	1,482,000	1,738,000	(256,000)	-14.73%	1,572,000	(90,000)	-5.73%
Motor Vehicle Registration	21,135,000	21,565,000	(430,000)	-1.99%	20,170,000	965,000	4.78%
Motor Vehicle Title	1,333,000	1,016,000	317,000	31.20%	975,000	358,000	36.72%
Mixed Drink	6,327,000	5,721,000	606,000	10.59%	6,137,000	190,000	3.10%
Business	4,589,000	4,609,000	(20,000)	-0.43%	4,131,000	458,000	11.09%
Privilege	21,377,000	22,275,000	(898,000)	-4.03%	22,188,000	(811,000)	-3.66%
Gross Receipts	14,103,000	13,906,000	197,000	1.42%	15,140,000	(1,037,000)	-6.85%
TVA - In Lieu of Tax Payments	27,297,000	29,385,000	(2,088,000)	-7.11%	28,662,000	(1,365,000)	-4.76%
Alcoholic Beverage	4,735,000	4,837,000	(102,000)	-2.11%	4,810,000	(75,000)	-1.56%
Sales and Use	634,842,000	630,200,000	4,642,000	0.74%	613,858,000	20,984,000	3.42%
Motor Vehicle Fuel	15,268,000	17,472,000	(2,204,000)	-12.61%	16,622,000	(1,354,000)	-8.15%
Severance	192,000	189,000	3,000	1.59%	198,000	(6,000)	-3.03%
Coin-operated Amusement	109,000	78,000	31,000	39.74%	132,000	(23,000)	-17.42%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$919,827,000	\$900,796,000	\$19,031,000	2.11%	\$880,917,000	\$38,910,000	4.42%

Table 2
Revenue Collections by Fund
Year-to-Date
August - July
2012-2013

Fund	2012-2013				2011-2012	2012-2013	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$9,751,484,000	\$9,403,600,000	\$347,884,000	3.70%	\$9,416,209,000	\$335,275,000	3.56%
Highway Fund	687,937,000	699,800,000	(11,863,000)	-1.70%	689,001,000	(1,064,000)	-0.15%
Sinking Fund	402,046,000	402,200,000	(154,000)	-0.04%	392,643,000	9,403,000	2.39%
City & County Fund	885,040,000	879,100,000	5,940,000	0.68%	863,818,000	21,222,000	2.46%
Earmarked Fund	34,799,000	34,800,000	(1,000)	0.00%	26,101,000	8,698,000	33.32%
Total	\$11,761,306,000	\$11,419,500,000	\$341,806,000	2.99%	\$11,387,772,000	\$373,534,000	3.28%

Revenue Collections by Tax
Year-to-Date
August - July
2012-2013

Tax Source	2012-2013				2011-2012	2012-2013	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$2,026,015,000	\$1,733,300,000	\$292,715,000	16.89%	\$1,856,476,000	\$169,539,000	9.13%
Income	263,236,000	215,000,000	48,236,000	22.44%	183,398,000	79,838,000	43.53%
Inheritance & Estate	117,555,000	83,100,000	34,455,000	41.46%	148,395,000	(30,840,000)	-20.78%
Gasoline	616,298,000	622,100,000	(5,802,000)	-0.93%	617,639,000	(1,341,000)	-0.22%
Petroleum Special	62,945,000	65,000,000	(2,055,000)	-3.16%	63,405,000	(460,000)	-0.73%
Tobacco	277,104,000	286,800,000	(9,696,000)	-3.38%	276,870,000	234,000	0.08%
Beer	17,890,000	18,400,000	(510,000)	-2.77%	17,985,000	(95,000)	-0.53%
Motor Vehicle Registration	255,594,000	257,300,000	(1,706,000)	-0.66%	246,777,000	8,817,000	3.57%
Motor Vehicle Title	11,914,000	11,800,000	114,000	0.97%	12,037,000	(123,000)	-1.02%
Mixed Drink	70,254,000	64,000,000	6,254,000	9.77%	65,336,000	4,918,000	7.53%
Business	136,190,000	134,800,000	1,390,000	1.03%	126,715,000	9,475,000	7.48%
Privilege	304,336,000	275,100,000	29,236,000	10.63%	280,917,000	23,419,000	8.34%
Gross Receipts	25,598,000	28,100,000	(2,502,000)	-8.90%	31,498,000	(5,900,000)	-18.73%
TVA - In Lieu of Tax Payments	337,384,000	351,900,000	(14,516,000)	-4.13%	344,980,000	(7,596,000)	-2.20%
Alcoholic Beverage	53,269,000	52,000,000	1,269,000	2.44%	51,841,000	1,428,000	2.75%
Sales and Use	7,025,996,000	7,049,200,000	(23,204,000)	-0.33%	6,899,944,000	126,052,000	1.83%
Motor Vehicle Fuel	156,936,000	169,100,000	(12,164,000)	-7.19%	160,873,000	(3,937,000)	-2.45%
Severance	2,497,000	2,200,000	297,000	13.50%	2,441,000	56,000	2.29%
Coin-operated Amusement	291,000	300,000	(9,000)	-3.00%	264,000	27,000	10.23%
Unauthorized Substance	4,000	0	4,000	NA	(19,000)	23,000	NA
Total	\$11,761,306,000	\$11,419,500,000	\$341,806,000	2.99%	\$11,387,772,000	\$373,534,000	3.28%